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9 Attorneys for Debtor in Possession, Kenneth Michael Carvalho

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re:

KENNETH MICHAEL CARVALHO

Debtor in Possession

Chapter 11

Case No: 12-50827SLJ

**DECLARATION OF JAVED I. ELLAHIE IN SUPPORT OF APPLICATION FOR
APPOINTMENT AS ATTORNEY FOR DEBTOR IN POSSESSION [Rule 2114a]**

I, Javed I. Ellahie, declare as follows:

1. I am an attorney, duly licensed to practice in the State of California and before the courts of the Northern District of California.
2. On February 1, 2012, Kenneth Michael Carvalho, Debtor in Possession, filed his Petition under Chapter 11 of the Bankruptcy Code. A trustee has not been appointed, and Applicant continues to function as Debtor-in-Possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

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1 3. Debtors wish to employ Javed I. Ellahie, Esq. and Ellahie & Farooqui, LLP, as its
2 general counsel in the within case. A copy of Debtors' application is being filed concurrently
3 herewith.

4 4. Neither I, nor any employees of Ellahie & Farooqui, LLP, save and except as disclosed
5 herein, hold or represent an interest adverse to the estate. Ellahie & Farooqui, LLP are
6 disinterested persons as that term is defined in 11 U.S.C. §101(14). That specifically, Ellahie &
7 Farooqui, LLP:

- 8 a. Is not a creditor, an equity security holder, or an insider of Debtor;
- 9 b. Is not and was not an investment banker for any outstanding security of Debtor;
- 10 c. Has not been, within three years before the date of filing of the Petition, an
11 investment banker for a security of Debtor, or an attorney for such an investment banker in
12 connection with the offer, sale, or issuance of Debtor;
- 13 d. Is not and was not, within two years before the date of the filing of the Petition,
14 a director, officer, or employee of Debtor or of an investment banker specified in subparagraph
15 b or c of this paragraph; and
- 16 e. Does not have an interest materially adverse to the interest of the estate or of any
17 class of creditors or equity security holders, by reason of any direct or indirect relationship to,
18 connection with, or interest in, the Debtor or an investment banker specified in subparagraph b
19 or c of this paragraph, or for any other reason.

20 5. Save and except as disclosed herein, Ellahie & Farooqui, LLP has no connection of any
21 significance with the Debtor, creditors, or other party in interest, their respective attorneys and
22 accountants, the United States Trustee or any person employed in the Office of the United
23 States Trustee.

24 6. Ellahie & Farooqui, LLP is retained to render professional services including:

- 25 a. To give Debtor in Possession legal advice with respect to his powers and duties
as Debtor in Possession in the continued operation of his business and management of his
property;

- b. To prepare and file documents required under the Bankruptcy Code in connection with prosecution of a Chapter 11 petition on behalf of Debtor;
- c. To take necessary action to avoid avoidable liens;
- d. To object to claims as appropriate;
- e. To prepare on behalf of applicants as debtor in possession necessary applications, answers, orders, reports, and other legal papers;
- f. To prepare a Chapter 11 disclosure statement and plan at the appropriate time;
- g. Dealing with parties in interest and their attorneys and agents as is necessary during the pendency of this case; and
- h. Counseling Applicant with respect to the bankruptcy, litigation and other issues related to this case, and performing all other legal services for Debtor as Debtor in Possession which may be necessary herein, excluding, however, the furnishing of tax advice and representation of Debtor in possession I proceedings before any state court.

7. The terms of the employment of Ellahie & Farooqui, LLP agreed to by the Debtor in possession, and the fees to be paid to the law firm, subject to approval of the court, are as follows:

Attorney/Legal Assistant	Hourly Rate
Javed I. Ellahie, Esq., Partner	\$375/hour
Omar M. Farooqui, Esq., Partner	\$300/hour
Lawrence M. Boesch, Esq.	\$300/hour
Aliah A. Abdo, Esq.	\$175/hour
Erum Chaudhry, LLM ¹	\$150/hour
Paralegals and Law Clerks	\$75-\$150/hour

Some work may be done by other attorneys or legal assistants whose hourly rates may be different from those persons listed above. The standard hourly rates for Ellahie & Farooqui,

¹ Licensed in Pakistan.

1 LLP attorneys range from \$250 to \$400 per hour, and the standard hourly billing rates for
2 Ellahie & Farooqui, LLP legal assistants range from \$75 to \$150 per hour.

3 The hourly rates set forth above are subject to periodic adjustments to reflect economic
4 and other conditions. The law firm will make period applications for interim compensation.
5 Each application submitted by this firm shall include the services rendered by the firm in the
6 time period covered by that application. In addition, the terms and conditions Ellahie &
7 Farooqui, LLP employment include reimbursement of a number of expenses incurred in the
8 course of the representations, such as photocopying, long-distance phone calls, computer
9 research, delivery services, and travel.

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11 8. A retainer in the amount of \$ 33,500 for work in connection with the Chapter 11 case
12 has been paid by Debtor. In addition debtor paid \$1,500 for filing fees and related costs.
13 All fees and costs were paid prior to the filing of the herein petition.

14 9. No additional retainer is due from client. Applicant will file fee applications with this
15 court as required by the UST Guidelines for Compensation. A copy of the fee
16 agreement entered into between Applicant and Debtor in Possession is attached hereto
17 as Exhibit A.

18 10. To the extent that any terms of the Fee Agreement conflict with Bankruptcy Rules and
19 Guidelines, the later will prevail.

20 11. Ellahie & Farooqui, LLP intends to apply to this Court for compensation and
21 reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy
22 Code, the United States Trustee's Guidelines, and the rules and orders of this Court. Pursuant to
23 the Bankruptcy Code, the allowed fees and reimbursable expenses of Ellahie & Farooqui, LLP
24 will constitute administrative expenses of Applicant's estate.

1 I hereby declare under penalty of perjury that the matters stated above are true and
2 correct to the best of my knowledge, and that this declaration was executed on February 10,
3 2012 at San Jose, California.

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5 /s/ Javed I. Ellahie

6 Javed I. Ellahie
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